The F. of L. Weekly News Service gives a brief summary of important matters affecting labor, occurring in the industrial, legislative and judicial fields, and such other information that will benefit the trade union movement.

# AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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AGITATE! EDUCATE! ORGANIZE!

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## BANKERS, IN SECRET MEETING, STOPPED INDUSTRY'S WHEELS

Washington, March 10.—On motion of Senator Gooding the senate today asked the president to investigate the charge that at a secret meeting of the secretary of the treasury, federal reserve bank officials in this city, on May 18, 1920, it was agreed to curtail credits, increase interest rates and recommend to the interstate commerce commission that railroad rates be increased.

These decisions brought on the deflation movement that stopped business, closed factories, mines and mills and turned 5,000,000 workers on the streets.

These sensational charges are made by the Manufacturers' Record of Baltimore, which claims to have secured one of the 100 copies of the proceedings of the meeting that were cautiously distributed.

To carry out their policy of restricting credit it is stated that the bankers agreed not to accept Liberty bonds as security for notes. Through this method the bonds were forced on the market and bought by the bankers for 80 cents and less on the dollar. The bankers also requested the interstate commerce commission to raise railroad rates. In the following August the commission made a horizontal increase on all rates, with one or two exceptions.

With the restriction of credit and the increase of interest the advance in railroad rates made the collapse complete and values that totalled billions of dollars were wiped out or fell into the grasp of "insiders" who were prepared for the shock.

Senator Gooding said the railroad rate increases were beyond his understanding at the time they were ordered, but now he understands.

A few of the bankers objected to what they prophetically declared would bring chaos to the country.

John T. Scott of the Dallas federal reserve bank declared these banks are now profiteering and that the Dallas bank "is making in the neighborhood of 100 per cent on our capital."

Wesley C. McDowell of the Minneapolis federal reserve bank said that bank "is making $10,000 a day." He asked if the federal reserve board is "going to be put in the same class with the sugar profiteer and the manufacturer who has been making big money."

"We want to stop some of this high finance in politics, in business," he said.

The plan, however, was supported by the majority. E. L. Johnson of the Chicago federal reserve bank, talked like a Prussian, and said "education and propaganda must be carried on with authority and strength." He concluded his speech with the amazing statement that the opening speech by the governor of the federal reserve board should be given wide circulation among the banks "with a show of authority, even if you do not like it."

"Evidently," said the Manufacturers' Record, "the propaganda was carried on, and the bankers, with authority and strength, for bankers everywhere were warned to curtail credits, and naturally any man who is not a fool from the top of his head to the bottom of his feet knows that meant the break down of prices, the break down of business and the increase of unemployment; and, therefore, every men stopped buying who could settle or finished products of every kind."

These financiers who deflated values, closed mines, created widespread unemployment gave less than a day's discussion to a decision that the people were not informed on and unacquainted with the causes for their misery.

On adjourning the bankers were pledged to secrecy—except to their boards of directors—by the chairman of the meeting, who said:

"We have had an exceedingly interesting day, gentlemen."

## RAILROADS ARE BLAMED BY PRESIDENT HARDING

Washington, March 10.—Suffering of the people and demoralization of industry is the result of the policy of the Pennsylvania, Delaware & Hudson, Central Railroad of New Jersey, Lehigh Valley, Illinois Central, Santa Fe, New Haven, and other railroads that have locked out their shop men. These conditions will steadily grow worse if a settlement is not reached.

President Harding indicated the above sentiment in a letter to the secretary of the federal shop crafts of the Central Railroad of New Jersey. The president said, in part:

"The information which reaches me brings the conviction that continued failure to bring settlement is largely responsible for unfortunate conditions as to railroad movements in some areas, and for interrupted deliveries of coal during the winter, with resultant suffering to many communities and much demoralization to industry. It is a situation which seems certain to become more serious unless effective measures are found for its early amelioration."

## "NO LABOR SCARCITY," SAYS LAW MAKERS

Washington, March 10.—"The prosperity of the United States does not depend upon additional unskilled immigrants coming to this country," is the house immigration committee's challenge to the national association of manufacturers, and other advocates of cheap labor through immigration.

The committee thoroughly investigated the immigration issue and made its report to the house but a few days before adjournment.

"There are 1,500,000 unemployed now here," the committee said. "Quotas from northwestern Europe are not exhausted. There are 250,000 coal miners who are unemployed regularly due to overabundance of workers in that occupation. Aliens who leave this country temporarily may return within six months outside of quotas.

"If work was so plentiful, why did more male immigrants go back to their native lands than came here in the fiscal year ending June 30, 1922?"

The committee opposes the recommendation of the national association of manufacturers that "the United States assert the right to register, distribute, and direct aliens and supervise the alien during the period of his alienage." This system can not be sustained, the committee says, because "distribution" and "supervision" might develop a system of peonage similar to the institutions of the United States.

The committee accepts the opinion expressed by Walter Rogers, mining engineer and author, of Mt. Vernon, N. Y., that "the alleged labor shortage and the effect of immigration-curtailments are being misunderstood and misrepresented."

Testifying before the committee, Mr. Ingalls said, in part:

"Although business activity in the United States increased greatly in 1922, in comparison with the abyss of 1921, I do not find, from examination of the statistical evidence, that the rate of production in the latter part of 1922 was much higher than in 1913. The aggregate production of raw materials was about the same in 1922 as in 1913. Factory employment in the state of New York, which is considered to afford a fairly reliable sample for the whole country, rose in the latter part of 1922 about to the level of the middle of 1914 when this series of figures began. Building construction in 1922, while the greatest on record in terms of dollars, appears from my own studies of this subject to be no less in terms of quantity in 1922 than in 1913.

"All this is offered with no intention of contradicting representations of shortage of labor of some kinds and at some places. That such shortage exists is evidenced by the fact that employers have had to increase wages to get the labor they need, which they would not do unless they had to. Instead of permitting more male immigrants, the committee favors changing the 3 per cent law to 2 per cent, based on the census of 1890. This would admit 168,337 immigrants as against the present quota of 357,803 (exclusive of exempt classes).

## HUSH! SACRED PROFITS CAN'T BE REFERRED TO

New York, March 10.—The Providence (R. I.) Journal and the Pawtucket (R. I.) Times refuse to publish answers to letters written to Jenckes spinning company is being forced out of business because of exacting labor conditions in Rhode Island.

Thomas F. McMahon, international president of the United Textile Workers of America, asked the two news papers to publish a correction, which he forwarded, but his request was declined.

In his communication President McMahon said: "The trouble with some of our prominent employers is apparently that the terrific profits made during the war have obsessed them."

"Fair and legitimate profits are not the rule of the day," said President McMahon, "but during the years ending with June 30, 1921, the Jenckes spinning company made a total profit of $10,400,000. During the first three of these five years, this company did not own the Lonsdale mills of Cumberland, R. I., in these five years, its profits totalled over $5,500,000 all made in Rhode Island.

"Does this explain why the Jenckes spinning company is leaving Rhode Island on account of lack of profit, or does it not rather explain that it has a desire to go south, where there is more opportunity to operate their mills under sweat-house conditions?"

## WHAT DO THEY DO NOW?

New York, March 10.—A plea for business men to become active in politics was made by Frederick H. Ecker, the president of a bank in this city, who has evidently never heard of the chamber of commerce of the United States, the national association of manufacturers, etc.

According to Mr. Gehle, business men are babes in the political woods, and these innocents are at the mercy of demagogues and other designing men. This should be changed, saith Mr. Gehle, who calls upon his associates to "take a more definite position in the country," that the nation may take its place in the world's business.

The nation will only be saved, according to Mr. Gehle, by "business men elected by men of the stamp of Carnegie, Morgan, Harriman, and Rockefeller, men whose judgment is above the whims of the moment and who seek the good of mankind."

## UPHOLD STATE INSURANCE

New York, March 10.—Attacks by the state compensation insurance fund, conceived by Bernard A. Shientag, state industrial commissioner, who referred to the report of the bankers' trust in investigated the fund. They said that the financial condition of the fund is sound, insurers being protected by ample reserves." The fight against the state fund is waged by private organization interests who would drive the state out of this field.

## CAN'T BURN CATALOGUES.

Washington, March 10.—The federal trade commission has ordered the Catalpa (Mont.) chamber of commerce to cease burning mail order catalogues. The merchants of Catalpa were doing business by offering bounties for every mail order catalogue turned over to them. The federal trade commission rules that this is a hindrance to interstate business.

## DEFEAT WAGE CLAUSE.

Winnipeg, Manitoba, Canada, March 10.—The provincial legislature has defeated a proposal that the government extend the provisions of the fair wage clause to all government contracts.

## Bosses Could Set Wages If Unions Were Destroyed

Pittsburgh, Pa., March 10.—The president of the anti-union Wheeling steel corporation wastes no time in exposing his opposition to organized labor. Neither does he indulge in pacifistic pretense when he attempts to smash the Iron, Steel and Tin Workers' union.

Instead, he frankly declares that if this union is wiped out he will have a free hand in setting wages. This declaration was made to the official correspondent of the Amalgamated Journal, published by the Amalgamated Association of Iron, Steel and Tin Workers.

No better defense of trade unionism could be made than this acknowledgement that organized labor is the barrier exploiters of labor can not overcome.

Anti-unionists rarely make such blunt statements. Usually they conceal their intent by patriotic lip service, charity and welfare work and emotional appeals to unthinking employes who are continuously lectured on "the tyranny of labor unions."

## WESTERN STATES DEFEND WOMEN'S MINIMUM WAGE

Washington, March 10.—Kansas and Wisconsin have joined in the defense of the District of Columbia women's minimum wage law, now before the United States supreme court on appeal from the District of Columbia court of appeals, which held the law invalid.

The supreme court's decision will affect every state that has this legislation, and will also have an effect on future legislation of this character.

The Kansas brief, filed by the attorney general of that state, points out that despite attacks made upon the Kansas minimum wage law, courts have upheld this legislation, which is intended, he said, to diminish "a glaring injustice."

## SUGAR PLANTERS PROSPER.

Washington, March 10.—Hawaii's sugar cane harvest during the year ended September 30 last was the largest in history, according to the department of agriculture.

This is a special interest because of pleas by Hawaiian planters for Chinese coolie labor to be imported into the islands because of an alleged labor shortage.

## COPPER BARONS WIN.

Phoenix, Ariz., March 10.—The influence of copper barons in the state legislature defeated a bill which would permit employes living on leased land to have free ingress and egress from the land. By leaving this right optional with the copper barons they have a powerful weapon in case of strike.

## MORE WAGE GAINS.

Cleveland, O., March 10.—Asbestos workers have raised wages from 37 cents an hour to 41½c. This is approximately an increase of 12½ cents an hour, as most of these workers were paid 31. Helpers will be paid 72½ cents an hour for the first year and 81.62½ the fourth year.

## TRADE UNIONS UPHELD BY SENATOR COPELAND

Washington, March 10.—In a speech before the women's trade union league of this city, United States Senator Copeland of New York indicated that so-called "senatorial courtesy" will not deter him from plain speech in the senate.

In his first speech in the nation's capital the new lawmaker declared unqualifiedly for trade unionism and said the locked out railroads is responsible for the coal shortage.

The former health commissioner of New York city spoke both as a medical man and as a lawmaker. He said he favored trade unionism because this method would, it possibly offered, serve to improve their conditions, thereby lessening disease.

"As a senator," he said, "I am not interested in international banking. I am interested in human welfare."

There was no "ifs" or "buts" in Senator Copeland's stand on trade unionism. He declared without reserve that it is entitled to full protection and that the workers never progressed until they awakened to the value of collective action.

"If the railroads had reached an agreement with their employes, and thus ended their locked out policy, would be no coal shortage this winter. I am a friend of the railroads because they are necessary for the public welfare, but I am not the yes-yes kind of a friend," said Senator Copeland.

"I know they are responsible for the coal shortage, because as health commissioner I have many medical assistants into the anthracite fields and they reported that thousands of tons, loaded with good coal, could not be moved because of the railroads' defective motive power."

The men mentioned the Pennsylvania, Lehigh Valley, Delaware & Hudson and Central Railroad of New Jersey as a few of the railroads responsible for the coal shortage because they locked out their shop employes.

## WORKERS' EDUCATORS TO CONFER IN APRIL

New York, March 10.—The workers' education bureau has issued a call for the third annual conference on workers' education in the United States, to be held in this city April 14-15.

Delegates are expected from workers' educational enterprises and trade union colleges in the east and west, Canada and as far south as Kansas City. Some 40 or 50 labor organizations in so many localities now have labor related plans for educational work among their membership, it is stated.

During the past year the committee on education of the American Federation of Labor and the workers' education bureau have co-operated under a temporary agreement. At the last A. F. of L. convention this joint effort was approved, and the terms of this agreement an executive committee of nine members was created to direct the educational activity of the bureau. The chairman of the A. F. of L. committee on education, Matthew Woll, is also chairman of the executive committee of the workers' education bureau, and two other members of the A. F. of L. committee on education—George W. Perkins and John P. Frey—are also on the executive committee of the workers' education bureau.

In a statement to trade unionists, President Gompers said: "I wish to commend the work of this bureau to you and your membership for the purpose of furthering adult workers' education."

## COURT MUST BE CHECKED.

Washington, March 10.—"One of the most remarkable institutions ever developed on American soil is the supreme court of the United States. It is the only court in the world which exercises the power to nullify laws enacted by the legislative branch of the government," Congressman Meyer London, writing in the American Federationist, current issue.

"The supreme court is more than a court. It is a lawmaker. It is a constitution maker. It is not the number of acts the court has overthrown that is important. It is the special character of the legislation that in August Decker has destroyed that matters.

"Congress has the power to interpret the constitution the court has steadily refused to recognize the fundamental changes that have been brought in the relations of men.

"It is time that the supreme court is an unreformed house of lords. There is not a line in the constitution of the United States supreme court which that it was the intention of its framers to establish a judicial oligarchy with right to invalidate acts of congress.

"Congress should at once assert its power and its duty to pass upon the constitutionality of its law. It should not permit five members of the supreme court to set up their judgments as to the constitutionality of statutes over the judgment of the men who are elected by the people to legislate for them."

## OPPOSE INCOME PUBLICITY

Madison, Wis., March 10.—Business in this state is worried over the proposal, that returns from income tax payments. Opponents of the plan protest that this would publish to competitors a man's profits or his earnings. Defenders of the plan say that the publication of the income tax returns in the last two years is yielding nearly $2,000,000 additional taxes, according to the department of agriculture.

Trade unionists suggest that if their private affairs are open for inspection by officials, who inquire how much it costs them to live, there is no reason why the public should not be informed on the income of business men.

## MARSDEN SCOTT IS DEAD.

Colorado Springs, Colo., March 10.—Marsden G. Scott, former president of the International Typographical union, died in this city, aged 58 years. Paralysis was the direct cause of his death. He was president of the typographical national from 1914 to 1920, when he was succeeded by the present incumbent, John McParland.

## LEAD TRUST PROSPERS.

New York, March 10.—In the 1922 report the national lead company shows a profit of $4,927,548, compared with $3,491,512 in the preceding year. Every unit of the company made a profit last year, thus establishing a new record.

## STANDARD OIL GRIPS NATION; TRUST WON'T STAY "BUSTED"

Washington, March 10.—The oil industry is dominated by Standard oil companies more completely than when the Standard oil trust was dissolved by the United States supreme court in 1911.

If present policies continue the public will pay $1 a gallon for gasoline in a few years.

The Standard group controls the oil industry because of its "substantial" minority holdings of stock.

The above are included in a report by a senate oil investigating committee. Mr. La Follette, chairman, after a three-months' probe of this industry.

"In some respects the industry as a whole, as well as the public, are more completely at the mercy of Standard oil interests than before the supreme court decree the splitting up of the New Jersey company," says the committee, which declares that "any discussion of the subject which does not frankly recognize this control can only be misleading."

The methods of control, as set forth in the report, include divisions of marketing territory on almost the same lines as before the court dissolution order, ownership of the principal pipe lines, interlocking stock ownership, control of prices in the producing fields, excessive and discriminatory freight rates and ownership of the principal tank cars for gasoline manufacturing processes.

The committee used figures of the various companies themselves to show control; from that for the benefit of the whole people."

profits." It was stated that "the Standard stockholder who does not receive back in a few years the value of his investment in cash dividends may count himself unfortunate, while the increased value of the company's assets during the same period has increased by several hundred per cent the value of his original holdings.

"These profits have not been made by economies. The extravagant salaries paid by most of the companies to their officers and directors are typical and are an indication of the lavish and wasteful manner in which their business is conducted when the public pays everything and is consulted about nothing."

The committee made several recommendations which include establishment of a uniform system of bookkeeping, compulsory reports to the government, making pipe lines "real common carriers" with open freight rates, grand jury investigations, citation of parties to any agreement for contempt of the supreme court dissolution.

The committee let it be understood that these recommendations may not produce the expected results, for they declare that "the suggestions here made of certain remedies do not imply that other and more drastic ones may not be found necessary."

Criticism is expressed in the report in closing in the leasing by "the department of the interior of oil reserves, the assertion being made that the reserves "should have been held in trust" for the benefit of the

## FALSE "DEMOCRACY" URGED ON WORKERS

Chicago, March 10.—Meat packers are spending large sums of money to create the impression among employes that their "union" is a democratic and that it represents the workers. The purpose of this misrepresentation is to supplant the Amalgamated Meat Cutters and Butcher Workmen, which is responsible for every advantage the workers in this industry have secured.

According to the official organ of the packers, this system "permits employes to have their say." Trade unionists ask what advantage is it to workers to have their say before a packed combination consisting of employes' representatives who are dominated by management, foremen and time-keepers on one side of the table, and the superintendents, foremen and employers themselves on the other side. Then the president of the packing plant is to be considered, he has the "say." Also, and that "say" is the last. From his decision there is no appeal, and no support of arbitration by disinterested parties.

This company "union" was formed by the packers before the last big wage reduction. The hand-picked representatives of the workers voted with their employers to accept the reduction, and the packers used this against the trade union butcher workmen when they tried to protest against the cut.

The organized butcher workmen are now conducting a publicity campaign against this alleged "union" that has served the bosses so well.

## "PITTSBURGH PLUS" OPPOSED IN INDIANA

Indianapolis, March 10.—Resolutions urging national legislation to abolish "Pittsburgh plus" in the fixing of steel prices have been passed by the Indiana legislature.

"Pittsburgh plus" means that steel mills located near the raw material are forced to add to their price the freight charge on this steel from Pittsburgh, no matter where the steel or the raw material has never been near Pittsburgh. Under this system the trust's mills in Pittsburgh and vicinity are not subjected to the competition of mills near the iron ore fields, though the latter must pay this added freight cost of the landing steel-producing states.

A feature of the fight against "Pittsburgh plus" is the attitude of those who demand workers produce more while they ignore the steel trust's practice to defend competition.

## CONVICTS ARE FLOGGED.

Columbia, S. C., March 10.—Prisoners in the South Carolina state prison are flogged without limit, according to a joint legislative committee which reports unbelievable brutality in the penitentiary. It is stated that the prison riot in May, 1922, was caused by unnecessarily harsh punishments. The committee said the following forms of punishment are used:

"Plunging, chaining around the neck and shackling the body to a bolt in the cell wall, iron manacles on legs or arms, the use of the bloodhounds (a cell door), solitary confinement on bread and water, and the strip and uniform, and loss of privileges."

The committee recommends the abolition of all forms of corporal punishment. It was declared that "there is no excuse, as far as can find, to any of these punishments."

## STEREOTYPERS GAIN.

Birmingham, Ala., March 10.—Stereotypers on newspapers in this city have raised wages and reduced hours.

Nashville, Tenn., March 10.—Organized stereotypers of this city agree that patience is a virtue, since their six months of waiting for employers to install 44 wage increases. Rates are advanced $3 immediately, and on September 1 next year, they will be raised another $3.

## RESISTING 10-HOUR DAY.

New Haven, Conn., March 10.—Organized machinists are resisting the 10-hour movement of employers in this city. These employers have been operating under the nine-hour system, but this does not satisfy them. The unionsmashing New Haven railroad is connected with the latest move.

## COAL LAND MONOPOLY IS HIGH PRICE FACTOR

Washington, March 10.—A committee of the House Mine Workers of America reminds the United States coal commission that monopolized anthracite coal lands are regarded as an investment by coal owners, and this is a factor in high prices. The workers say that much of this land will not be used for 50 and 100 years.

"Hidden reserve coal lands over such a long period of time is not a mining proposition, but a real estate business," the miners' statement declares.

"Recent increases in the price of coal have unexpectedly greater value to the investment in coal lands, and the coal owners are inclined to consider this investment worth more and more, and to reevaluate it on their books. This is in line with the present tendency of financial interests to obtain an increased capitalization.

The miners say increased capitalization, like the splitting of stock dividends, makes it possible to pay large profits over such a large capitalization that the rate of returns on the investment is apparently low, and also permits coal owners to escape the higher grades of the federal income tax.

Interest on the investment in these anthracite coal lands, which can only be used for a century, it is stated, is not an element of cost of such lands as this interest is made by the officials in the sale of such lands (if they were sold), or through the operation of mines after they were finally opened and developed."

It is declared that as long as coal owners are permitted to retain these properties by including these holdings in the anthracite industry, the workers in it, and the consumers, will suffer.

"The importance of this procedure upon prices in the future can be seen from the estimates made by the officials of a similar wasting industry (the national lumber association) who estimated that revaluation had increased their assets between $2,000,000,000 and $3,000,000,000."

## WOULD JUNK SHIP BOARD IN INTEREST OF ECONOMY

Washington, March 10.—The shipping board has been a confusion of the people and should be abolished, declared Senator King of Utah, who said it has failed to operate properly, economically, or efficiently. "And many believe it has been criminally wasteful and extravagant and has frittered away hundreds of millions of dollars," he said.

If this it would be a wise policy to abolish both the shipping board and the emergency fleet corporation and to confer upon the department of commerce the necessary authority to carry out the wishes of congress.

The department of commerce could handle the work of the shipping board far more economically and could break away from the present unsatisfactory policies which now control the board," he said.

## WATER POWER MONOPOLY.

Albany, N. Y., March 10.—At a meeting of New York state mayors in this city former Mayor Burns of Troy declared water power monopolies are "discouraging the payment of juicy stock dividends to the financial interests while consumers are compelled to pay enormous rates for water power, which they should be able to obtain at reasonable prices."

The mayors said that if women realised the economy and labor saving of electricity in the household they would "get behind a real constructive hydro-electric program and politicians would either cease to play with the subject or be tossed into the discard."

## HUGE OIL EARNINGS.

New York, March 10.—Profits of the Standard oil company of Indiana continue to pile up, according to this the price of gasoline is headed in the same direction.

In its annual report the company shows a net profit last year of $55,831,-104, as against $25,325,545 the previous year. This means a profit equal to $5.50 for every share of stock having a face value of $25. Only recently the company issued a stock dividend which doubled its amount of stock. If this were not done profits would equal $11.20 for a share of stock having a face value of $25, and the public might discuss these unseemly gains.